



TOWN OF NORTH ANDOVER

FINANCE COMMITTEE

Meeting Minutes

Meeting Date: May 8, 2012 Public Hearing

Meeting Location: Town Hall, Selectmen's Room

Meeting called to order: 6:45P

Alan LeBovidge AL, Chairman	X	Ramsey Bahrawy- RB	
Tom Dugan TD, Vice Chairman	X	Robert Norbedo-RN	X
Ben Osgood-BO	X	Matthew Remis-MRem	X
Dan Leary -DL	x		
Peter Besen-PB	X	Pat Sifferlen, PS, Admin	X
Donald Elliot DE	X		

Non FinCom Members in Attendance

OTHERS: - Lyne Savage (LS) Andrew Maylor (AM), Ray Santilli (RS), Chris Allen (CA), Curt Belivance (CB), Bruce Thibedeau (BT), Andrew Melnikas (AMN), Paul Gallagher (PG), Stan Limpert (SL), Heather McNeil (HM)

Note: All FINCOM votes are subject to change upon receipt of new information.

Note: Documents used in this meeting are listed in Document Table, herein.

II. Previous Minutes Approved

AGENDA ITEM: A. Budget and CIP Overview

AL purpose of this meeting is to have the citizens of the town to ask questions about the budget. Will turn it over to the Town Manager for summary and overview.

AM budget process began late in 2011 for fy13 received requests from departments and ranked projects Jan 27th submitted to BOS FY13 capital plan. Forwarded on Jan 28th to Finance Committee. March 12 BOS recommended and adopted the FY13 Budget. This process followed similar methods from past particularly working with the rfcc and finance Committee and town accountant to develop frame work Budget based on revenue estimates. Town received and additional 577K in state aid.

Joint statement from BOS and SC was read (see attached)

AL members of the committee have no issues with the operating budget issues we have relate to CIP 1) design work of FMP and whether we should be spending the money now. We support building gym at Kittridge School issues seems to be cost price has changed substantially.

2) Osgood St sewer project amount for design not funding for whole project is this the right time to do this.

3) ESCO project is this best way to do questions were asked about the Payback period meeting with Consultant to get a better idea of project.

AM: FMP met dozens of times to discuss proposals which will be available on the website. Result was approved by BOS and SC. Two additional meetings were met with impacted parties seniors and other interested parties. 200 page document that would give a recommended option of which there are several options.

Draft plan submitted on Jan 27th Police station dropped dramatically (from original draft of 08/11) as it got closer to understanding the scope of the project. Kittridge School was evolving process gym is small. Scope has changed, today looking at metal shed building low cost construction units.

Whole plan should be looked as a 10-15 yr document that talks about our facilities. Plan that has been presented can be funded within the capital plan; no tax overrides reduce debt services.

PB 1st piece to come to Town meeting is the police station and we should emphasize on that. Especially at one time we were going to sell it.

AM Existing police station with 6500 sq feet meets the needs of the school which needs 6500 ft. means we are don't have to purchase another building with the same requirements.

AL some of us are concerned about a building that was previous described to us as disastrous.

AM plan notes a dollar amount does not state renovation if it is more viable to rebuild as long as it stays within the budget could be acceptable alternative.

AL Bradstreet school for sale originally that was going to used as the senior center

AM there are 6 or 7 scenarios at the end the committee took recommended option at a public hearing. Seniors wanted to keep their existing building and expand.

PB we keep changing what was told at Town Meeting. Police station planning was to sell old Police Station to help pay for new one.

AM a group of neighbors got together for the possible reuse of that building. The reuse would impact that area. To reuse as a municipal building was acceptable by neighbors.

AL: Discussion on 125 sewer

AM 125 sewer project is a 25 % design which will give us more information on the cost and prospects and options available to extending sewer down the 125 corridor. Grants have been applied for but problem is there is no creditability because they are based on estimates. Would give more flexibility on that stretch with sewer instead of septic.

Al concern is where is the money going to come from to fund this project.?

AM 25% design will give us a reasonable cost amount. Have previously applied to state for grant to fund this project we need professional documentation on these grant applications for them to even be considered. Money may come from tie in fees and cost associated with develop or assistance from the state to start economic

AGENDA ITEM: A Cont'd

Discussion: Development. Some funding will also come from excess funds from another project that came in under project. We are forced to use the excess funds on another sewer project within the next 2 years.

AL Finally discussion on ESCO

AM energy service co or ESCO's are used to find areas where the systems we use to use could be replace to save energy. State passed legislation for municipalities to encourage participation in energy audits on all their buildings. Full energy audit would look at all their systems to see if we change that system to a modern energy system to see how long it would take for the energy savings would pay for that system. We have contacted a company called Ameresco to look into a 4.2 million dollar in improvements completely paid for in energy savings generated by improvements in 11+ years.

AL How do you negotiate Contract? If things break down who fixes? We need to make sure it is a win for the town. That is why we want to have consultant to come in. Is it cheaper to Bond or to put into contract?

AM what you see in contract are projects that we are not capable of doing. Town has hired a consultant who is evaluating work to benefit us.

PB Have we talked to other towns who have used this co and the pros and cons.

AM the MVPC has done a reference check for us and I have no issues about calling other towns

HM would like to address Public Hearing and Town Meeting. I would like to request put together a Town meeting preview. Brief presentations of budgets by Town manager, Superintendent with power points, handouts to make it easier for people to pay attention and understand.. If you want to know what goes on in town you need to attend meetings or read minutes. Many people can't do this. Annual town meeting preview would make it easier for more people to be informed for town meeting. Will send information out to town boards and leaders.

AM Very interesting idea about town meeting preview. Would like to present a 5 yr financial forecast around October. Would like to have a joint committee meeting with the BOS, School Committee and Finance Committee.

III. New Business

IV. Next Meetings

May 10, 2012

ITEM #	ACTION ITEM	INDIVID.	COMPL. DATE	STATUS

ITEM #	TYPE	FROM	TO	SUBJECT	COMMENTS
1	Statement	BOS/SC	Fincom		
2					

V. Adjournment-

Motion: DL
Seconded: pb

Unanimous
Time: 7:36

